

## REMARKS

Applicant requests favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 1-4 and 7-22 are pending in this application, with Claims 1, 8, 9, 10, 13, 16, 17, 18, and 19 being independent. Claims 5 and 6 have been cancelled without prejudice.

Claims 1-4, 8-11, 13, 14 and 16-19 have been amended and new Claims 20-22 have been added. Applicants submit that support for the amendments and the new claims can be found in the original disclosure, and therefore no new matter has been added.

The drawings were objected to because the Examiner asserts that Figure 1 should be labeled as "Prior Art." Attached is a replacement sheet of formal drawing for Fig. 1 in which that label has been added.

Fig. 9 was objected to because the reference numeral 805 is not mentioned in the specification. The specification has been amended at page 23, lines 2-3 to change "804 to 806" to "--804, 805, and 806--". Therefore, reference numeral 805 is explicitly mentioned in the specification. Favorable reconsideration and withdrawal of the objections to the drawings are requested.

Claims 1-19 have been objected to as allegedly failing to particularly point out and distinctly claim the subject matter that the applicant regards as his invention. Applicant has amended the claims in view of the Examiner's comments, and believes that all of the Examiner's grounds for objection have been addressed. Accordingly, reconsideration and withdrawal of this objection are requested.

Claims 1, 2, 5, and 7-9 stand rejected under 35 U.S.C. §102 as being anticipated by U.S. Patent No. 6,192,138 (Yamadaji). Applicant respectfully traverses this rejection.

As recited in independent Claim 1, the present invention includes, *inter alia*, the features of compressing image data at a position where additional information is embedded to form compression data and then embedding the compression data into the image. Claims 8 and 9 recite similar features. Applicant submits that the cited art does not disclose or suggest at least those features. Yamadaji discloses that an image taken by photographing means is stored as watermark information, and that the stored watermark information is embedded when the taken image is subjected to JPEG compression. However, in that patent, both the watermark information to be embedded and the image into which the watermark information is embedded are taken by the photographing means, but they are not the same image. In other words, in the patent, image data is compressed and then is embedded into image data different than that which was compressed. In contrast, the present invention recited in Claims 1, 8, and 9 recites compressing image data at a position where additional information is embedded to form compression data and then embedding the compression data in the same image data. Accordingly, Applicant submits that the present invention recited in Claims 1, 8 and 9 is patentable over the cited art.

Claims 3, 4, 6, and 10-19 stand rejected under 35 U.S.C. §103 as being unpatentable over Yamadaji in combination with the article entitled “Adaptive Visible Watermarking of Images” (Kankanhalli, et al.). Applicant respectfully traverses this rejection.

As recited in independent Claim 10, the present invention includes, among others, the features of compressing image data and embedding the data compressed by the compressing to a first predetermined bit position of the image data. Claims 13 and 16-19 recite similar features.

As discussed above, Yamadaji discloses embedding a compressed image into different image data. The other cited art fails to remedy the deficiencies of that patent. Accordingly, Applicant submits that the present invention in Claims 10, 13, and 16-19 is patentable over the cited art.

The dependent claims are patentable for at least the same reasons as their respective independent claims, as well as for the additional features they recite.

In view of the foregoing, Applicants submit that this application is in condition for allowance. Favorable reconsideration and an early Notice of Allowance are requested.

Applicants' undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should be directed to our below-listed address.

Respectfully submitted,



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